

MONROE PORT COMMISSION
REGULAR MEETING MINUTES
Wednesday, May 21, 2014 - 7:00 p.m.
2929 E. Front Street - Monroe MI 48161

1. Call to Order: 7:06 p.m.
2.

<u>Members Present:</u> Thomas A. Krzyston, Chairman Dale Brose, Vice Chairman Lisa Leachman Tom Myers <u>Others Present:</u> Paul C. LaMarre III, Port Director John J. Emig, Jr., Port Engineer Matthew D. Budds, Port Counsel John Iacoangeli- City Councilman 2 nd Precinct/Port Liaison Richard Micka	<u>Members Excused:</u> Ken Calender, Secretary
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3. Additions/Deletions to the Meeting Agenda: None
4. Motioned by Myers and seconded by Brose the Meeting Agenda was approved.
Ayes 4 Nays 0. Motion passed.
5. Public Comment: Chairman Krzyston welcomed John Iacoangeli, City Councilman and Port Liaison to the meeting, and thanked him for making time to meet with him and the Port Director on Friday, May 16, 2014.
6. Motioned by Vice Chairman Brose to approve The Consent Agenda and seconded by Leachman. The Consent Agenda was approved. Ayes 4 Nays 0. Motion passed
 - 6.1 Approve and place on file Port of Monroe Expenditures - Order 0408
April 17, 2014 through May 21, 2014.
 - 6.2 Approve and place on file Regular Meeting Minutes of Wednesday,
April 16, 2014.
 - 6.3 Approve and authorize AKT Peerless Invoice 35691 in the amount of
\$3,635 to be submitted to the Downriver Community Conference Brownfield
Consortium EPA Revolving Loan Fund (RLF) for the Northern Battlefield site
project.
 - 6.4 Approve and authorize Johnson & Anderson Invoice 37404
Application period: Services through April 26, 2014.
Amount due: \$4,632.50
Project: Engineering services related to FRA grant application.
Funding Source: FRA # FR-LRI-0032-12-01-00
7. Unfinished Business:
 - 7.1 Motioned by Vice Chairman Brose to approve the existing Standard
and Operations Procedures (SOP) and place on the Suspense Calendar to be
reviewed in November 2014 and seconded by T. Myers. The recommendations made
by Plante Moran were incorporated in the SOP at the last audit of November 2013.
Ayes 4 Nays 0. Motion passed.
 - 7.2 On a motion made by T. Myers to update the Suspense Calendar and placed on
file and seconded by Vice Chairman Brose. Ayes 4 Nays 0. Motion passed.

8. New Business:

8.1 Motioned by L. Leachman to approve the agreement, as presented, and seconded by T. Myers on proposal to Jack's Lawn Service. Ayes 4 Nays 0. Motion passed.

8.2 Motioned by T. Myers to approve and authorize Chairman and Secretary to execute the Agreement for Donation of Lands, to the United States Department of the Interior U.S. Fish and Wildlife Service and seconded by Vice Chairman Brose. Ayes 4 Nays 0. Motioned pass.

8.3 Motioned by T. Myers to authorize the Port Director to enter into a lease agreement (laydown- parcel area #4) drafted by Port Counsel with Gerdau for 12-months with a 6-months option and seconded by Vice Chairman Brose. Ayes 4 Nays 0. Motion passed.

9. Staff Reports:

- Paul C. LaMarre III:

Met with two VP's and Director of Real Estate of DTE to discuss development and storage opportunities related to synthetic gypsum.

With the public meetings about pet coke recently held, this product has created a stigmatism with any bulk cargo. There is concern about fugitive dust and strict regulations are to be met with this process before we are allowed gypsum on our docks. J. Emig has been very involved and has done a great job in corresponding with the DEQ.

Developing plans for a warehouse for all cargo opportunities. DRM has invested in a quarter of a million dollars in a hydraulic conveyor, dump truck and a 130-foot radial stacker loader that can load 1,000 tons per hour.

A meeting is scheduled for Tuesday, May 27, 2014 with U.S. Gypsum.

Met with San Sil to discuss the potential for an LNG liquefaction facility on the Holcim property.

Bulk salt storage possible development and could be placed on next month's agenda.

Worked with Port Counsel on all lease agreements. Port counsel has been sensational in preparing all legal documents.

Overall, it has been a successful month.

- John J. Emig, Jr.:
There is no Contractor's Pay Application for the Federal Railroad Administration project on this month's agenda.

The rail switch that Canadian National (CN) has required is to be American brand and is the sole source of CN's railroad project delay. The American brand switch is 8% percent beyond cost and a 3-to-4 months wait.

There are several ways to comply and have submitted them to CN and awaiting approval. We have asked the FRA for variance.

- Matthew D. Budds:
Proposal preparations to the Jack's Lawn Service agreement. The agreement stipulates the vacancy and condition terms of port property and will be mailed to Mr. Sturn for his signature as discussed.

Worked on the Gerdau agreement with Port Director to accommodate additional parking when construction begins for Gerdau. The laydown area is in rough shape but Gerdau is willing to make alterations and pay for cost to use for parking. In addition, the area will be patrolled by their personnel.

10. Other Business that may come before the Port Commission: None

11. Port Commissioners Comment:

Lisa Leachman, Chairman-Personnel Committee, announced they had their first meeting last week. The objection of the meeting was for ideas for next year and since the July 1, 2014, budget is fast approaching, a compensation policy should be addressed.

A draft letter, to be commission approved, is to be signed by employees of the Port and stating the employees have received information and documentation is placed on file.

Also for clarifications purposes, understanding the whole organizational chart- Port Director reports to the Commission and staff reports to the Port Director. Would like to tap the Port Counsel for legal advice and ideas. Also would like to implement employment policies, cost saving policies and other additional policies.

Performance evaluations for Director - should be reviewed by the Commission for performance and Port Director will evaluate his staff.

Review payroll and services providers. This is a support branch to the Port Director and would initiate the personnel committee to review.

Vice Chairman Brose added, these are draft business policies and an example structure to understand how we come to decisions. We have a board member with expertise and this is our first step to act on it.

Port Commissioners Comment cont.:

At the June 18th port meeting, a draft letter will be placed on the Agenda under New Business for approval for final version presented to the Commission for signature.

Tom Myers, Chairman-Financial Committee, added the financial reports have been revised since the meeting they had at noon today. The Profit and Loss shows a - \$49,629.64/\$50,000. We incurred \$73,000 from the dredging project. The Port Director added the loan from the City of \$80,000 and the \$40,000 loan from DRM were not reflected as income and thus show an explainable shortfall. Port Director stated the first budget amendment was due to accounting issues. The FRA and Ventower grant pass through the port books and budget is not accurate. Ed Sell is on vacation and will request a second budget amendment next week.

Vice Chairman Brose added we have two board members with expertise in Financial and Human Resources areas and is a great improvement when it comes up for discussion on these topics. Chairman Krzyston added they both do a great job.

12. Public Comment:

Richard Micka asked if the City using Rauch Park to demolish the old train bridge will affect the work on the current railroad project. The Port Director replied there has been no discussions of interruption of Norfolk Southern rail services.

Councilman Iacoangeli asked if the Capital Improvements were incorporated in the City's funding program only because the City needs to understand what is needed at the Port and if the information is not provided, it could be missed.

13. Adjournment: 8:27 p.m.

These minutes are not consider official until approved by the Monroe Port Commission at their next regular scheduled meeting, Wednesday, June 18, 2014.

Kenyon Calender
Secretary

Date